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**System and Method for  
Third Party Logging Server**

**ABSTRACT**

A system and method for a third party logging server  
5 to keep track of sales by online merchants of copyrighted  
works. Providers of copyrighted works, such as publishers  
and authors, register with the third party logging server  
and acquire an authentication mechanism to use the server,  
such as a username and password. The providers upload  
10 digital works and royalties corresponding to the works to  
the third party logging proxy server. Online merchants  
register with the third party logging proxy server and also  
acquire an authentication mechanism to use the server. The  
merchant downloads works and royalty rates to the  
15 merchant's computer for online sales. The merchant also  
downloads software that informs the third party logging  
proxy server whenever the merchant makes a sale. The  
server keeps track of the sale. The server collects  
royalty payments from merchants. The server also  
20 calculates and sends providers their royalty payments.